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DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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DOGM
MINERALS PROGRAM
FILE COPY

May 18, 1989

Mr. Roy Benson
Area Manager
Keigley Quarry
Box 20-B, RFD #1
Santaquin, Utah 84655

Dear Mr. Benson:

Re: Confirmation of Approval of Permit Amendment, Wet Magnetic Separation Process of Iron Ore Fines, Iron Mountain Mine, M/021/008, Iron County, Utah

On May 15, 1989, the Division received a telefaxed letter from you concerning a previous approval for a permit revision application. This letter is forwarded to confirm receipt of your letter and the previous Division approval for this permit amendment.

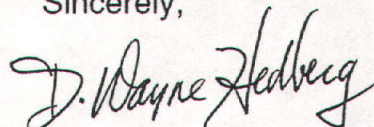
On June 17, 1986, Geneva Steel filed a permit revision to the initial Iron Mountain mine permit application proposing the wet magnetic separation process for the stockpiled iron ore/clay fines. Minor corrections and clarifications were received by the Division on June 20, 1986 to this amendment. This amendment was tentatively approved as part of the overall permit application for the Iron Mountain mine on June 30, 1986. Mining operations were suspended at the minesite shortly thereafter. The iron fines separation process was "tested" only briefly prior to mine suspension.

Pursuant to your May 15, 1989 letter, Geneva Steel now wishes to resume full scale processing of the stockpiled iron ore fines at the Iron Mountain minesite. The same separation process will be utilized as previously permitted, with the exception that the process water will be returned to the Blowout Pit instead of the Blackhawk Pit. The Division considers this an insignificant change to the approved plan.

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Geneva Steel is hereby notified that operations may proceed according to the approved plans for this permit amendment. We thank you for your continued cooperation and support. Please call if we can provide any additional information or answer any questions regarding this approval.

Sincerely,



Lowell P. Braxton
Associate Director, Mining

jb
cc: Minerals Team
MN3/72-73